

## COLLEGE STUDENT AID COMMISSION[283]

### Notice of Intended Action

#### **Proposing rulemaking related to uniform policies, future ready Iowa skilled workforce grant program, and workforce grant and incentive program and providing an opportunity for public comment**

The College Student Aid Commission hereby proposes to amend Chapter 10, “Uniform Policies”; to rescind Chapter 16, “Future Ready Iowa Skilled Workforce Grant Program,” Iowa Administrative Code, and adopt a new chapter with the same title; and to adopt a new Chapter 34, “Workforce Grant and Incentive Program.”

#### *Legal Authority for Rulemaking*

This rulemaking is proposed under the authority provided in Iowa Code section 261.3.

#### *State or Federal Law Implemented*

This rulemaking implements, in whole or in part, 2023 Iowa Acts, Senate File 560.

#### *Purpose and Summary*

The proposed rulemaking rescinds and replaces rule 283—10.2(261) to leverage Chapter 10 for definitions and policies that are consistent among state financial aid programs in order to streamline and reduce redundancies in accord with Executive Order 10. As additional chapters are rescinded and promulgated anew in the future under Executive Order 10, the consistent definitions and policies will be cited from Chapter 10 rather than duplicated in each chapter. A Regulatory Analysis, including the proposed amendments to Chapter 10, was published on July 12, 2023. A public hearing was held on August 2, 2023. No public comments on the Regulatory Analysis were received at the public hearing or in writing.

Additionally, the proposed rulemaking rescinds and adopts a new Chapter 16 for the Future Ready Iowa Skilled Workforce Grant Program. Statutory amendments to the program were enacted in 2023 Iowa Acts, Senate File 560, division VIII. Given the extent of the amendments, the existing chapter is proposed to be rescinded and a new chapter promulgated in lieu thereof under Executive Order 10 to ensure that outdated and obsolete provisions are eliminated. A Regulatory Analysis, including the proposed text of Chapter 16, was published on July 26, 2023. A public hearing was held on August 16, 2023. No public comments on the Regulatory Analysis were received at the public hearing or in writing.

Lastly, the rulemaking proposes a new Chapter 34 to implement the Workforce Grant and Incentive Program, which was enacted in 2023 Iowa Acts, Senate File 560, division VI. A Regulatory Analysis, including the proposed Chapter 34, was published on July 12, 2023. A public hearing was held on August 2, 2023. No public comments on the Regulatory Analysis were received at the public hearing or in writing.

The Administrative Rules Coordinator provided preclearance for the publication of this Notice of Intended Action on September 8, 2023.

Citations in the rules to Iowa Code sections 261.132, 256.230 and 84A.1B are to those sections as enacted by 2023 Iowa Acts, Senate File 560.

The proposed rulemaking includes two standards that are adopted by reference, each of which aligns to standards in Title IV of the federal Higher Education Act of 1965. The first standard is the cost of attendance, which generally includes tuition and fees, books, supplies, transportation and miscellaneous personal expenses, and an allowance for food and housing costs. The second reference is to the process in which a student who is in default on a student loan regains eligibility for financial aid, which generally includes making six consecutive on-time payments, repaying the defaulted loan in full, or consolidating the defaulted loan with other student loans in good standing.

### *Fiscal Impact*

This rulemaking has no fiscal impact to the State of Iowa.

### *Jobs Impact*

After analysis and review of this rulemaking, no impact on jobs has been found.

### *Waivers*

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any, pursuant to 283—Chapter 7.

### *Public Comment*

Any interested person may submit written or oral comments concerning this proposed rulemaking. Written or oral comments in response to this rulemaking must be received by the Commission no later than 4:30 p.m. on October 24, 2023. Comments should be directed to:

Julie Ntem  
Department of Education, Bureau of Iowa College Aid  
475 S.W. Fifth Street, Suite D  
Des Moines, Iowa 50309-4608  
Phone: 515.725.3414  
Email: [julie.ntem@iowa.gov](mailto:julie.ntem@iowa.gov) or administrative rules website at [rules.iowa.gov](https://rules.iowa.gov)

### *Public Hearing*

Public hearings at which persons may present their views orally or in writing will be held as follows:

October 25, 2023 4 to 4:30 p.m.	Commission Boardroom 475 S.W. Fifth Street, Suite D Des Moines, Iowa
October 26, 2023 4 to 4:30 p.m.	Commission Boardroom 475 S.W. Fifth Street, Suite D Des Moines, Iowa

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Commission and advise of specific needs.

### *Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind rule 283—10.2(261) and adopt the following **new** rule in lieu thereof:

### **283—10.2(261) Definitions.**

*“Financial metric”* is the means by which the commission ranks the relative financial need of an applicant for financial assistance. The calculated financial metric shall be evaluated annually on the basis of a confidential statement of family finances filed on a form designated by the commission. The commission has adopted the use of the Free Application for Federal Student Aid (FAFSA), a federal form developed by the U.S. Department of Education, which is used to determine the financial metric. Relative need will be ranked based on the applicant’s financial metric provided by the U.S. Department of Education. The FAFSA must be received by the processing agent by the date specified by the commission. A negative financial metric is the equivalent of zero.

*“Financial need”* is the difference between the applicant’s cost of attendance, as defined in Title IV of the federal Higher Education Act of 1965, as of July 1, 2023, and the applicant’s financial metric and other available financial assistance at the eligible institution.

*“Full-time”* means enrollment in at least 12 semester credit hours, or the equivalent, that are part of a program of study. Credits that a student receives through “life experience credit” and “credit by examination” are not eligible for funding. Only coursework required for the student’s eligible program of study can be used to determine enrollment status for state award calculations.

*“Iowa resident”* means a person who:

1. If attending an Iowa regent university, Iowa private college or university, or Iowa barber or cosmetology college, meets the criteria used by the state board of regents to determine residency for tuition purposes as described in rule 681—1.4(262) and, if the person qualifies for residency only as described in 681—paragraph 1.4(2) “b,” meets the following additional criteria:

- Is a veteran or qualifying military person domiciled in the state of Iowa who is not dependent upon a parent for financial support;
- Is a dependent veteran or qualifying military person whose parent is domiciled in the state of Iowa; or
- Is the spouse, domestic partner, or dependent child of a veteran or qualifying military person who is domiciled in the state of Iowa; or

2. If attending an Iowa community college, meets the criteria defined by the Iowa department of education to determine residency for community college tuition purposes as defined in 281—subrule 21.2(11) and, if the person qualifies for residency only as described in 281—subparagraph 21.2(11) “b”(5), meets the following additional criteria:

- Is a veteran of uniformed service or a national guard member domiciled in the state of Iowa who is not dependent upon a parent for financial support;
- Is a dependent veteran of uniformed service or a national guard member whose parent is domiciled in the state of Iowa; or
- Is the spouse, domestic partner, or dependent child of a veteran of uniformed service or a national guard member who is domiciled in the state of Iowa.

*“Part-time”* means enrollment which includes 3 to 11 semester credit hours, or the equivalent, that are part of a program of study. Credits that a student receives through “life experience credit” and “credit by examination” are not eligible for funding. Only coursework required for the student’s eligible program of study can be used to determine enrollment status for state award calculations.

*“Program of study”* means a course of study that is eligible for federal student aid programs and leads to an undergraduate diploma, certificate, or degree.

*“Satisfactory academic progress”* is determined by the eligible institution, the standards of which meet the criteria for participation in federal student aid programs and are published on the eligible institution’s website.

ITEM 2. Adopt the following **new** rule 283—10.3(261):

## **283—10.3(261) Policies.**

**10.3(1) Restrictions.** A student who is in default on a Stafford Loan, SLS Loan, or a Perkins/National Direct/National Defense Student Loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for assistance under the program. The student regains eligibility under this rule

by providing documentation to the institution that the student has regained eligibility under Title IV of the Higher Education Act of 1965, as of July 1, 2023.

**10.3(2) Reserved.**

ITEM 3. Rescind 283—Chapter 16 and adopt the following **new** chapter in lieu thereof:

CHAPTER 16  
FUTURE READY IOWA SKILLED WORKFORCE GRANT PROGRAM

**283—16.1(261) Basis for aid.** Assistance available under the future ready Iowa skilled workforce grant program is for Iowa residents who are aged 25 or older and are enrolled in approved programs aligned with high-demand jobs.

**283—16.2(261) Definitions.** As used in this chapter:

*“Approved program”* means an eligible program of study as defined in 283—Chapter 10 that is approved through the process described in 283—16.6(261).

*“Continuous enrollment”* means an eligible student is enrolled on a full-time or part-time basis in successive fall and spring semesters, or the equivalent, after receiving the award. Enrollment in the summer semester is not required to meet this condition.

*“Eligible institution”* meets the criteria in Iowa Code section 261.132 and the provisions of 283—16.7(261).

*“Full-time”* means the same as defined in 283—10.2(261).

*“Iowa resident”* means the same as defined in 283—10.2(261).

*“Part-time”* means enrollment in at least 6 but less than 12 hours per semester, or the equivalent. An eligible student may enroll in fewer than six semester hours, or the equivalent, in the semester that the credential will be completed if part-time enrollment is not required to complete the program of study.

*“Satisfactory academic progress”* means the same as defined in 283—10.2(261).

*“Semester”* means the fall, spring, or summer term of enrollment at an eligible institution, if the eligible institution is on a semester system, or the equivalent, if the institution is on a system other than a semester system.

**283—16.3(261) Eligible applicant.** An eligible applicant is an Iowa resident who is enrolled full-time or part-time in an approved program at an eligible institution and who meets the following provisions:

1. Annually completes the applications the college student aid commission (commission) deems necessary on or before the date established by the commission and attends orientation, registers for classes with an academic advisor, and participates in career advising sessions.
2. Meets satisfactory academic progress standards, does not meet a condition in 283—subrule 10.3(1), and upon receipt of the grant, maintains continuous full-time or part-time enrollment during successive fall and spring semesters.
3. Is aged 25 or older as of July 1 prior to the year of enrollment.

**283—16.4(261) Awarding of funds.**

**16.4(1) Selection criteria.** All eligible applicants will be considered for an award.

**16.4(2) Extent of award and maximum award.** Eligible applicants may receive no more than the equivalent of four full-time awards. The maximum award will be established annually by the commission but will not be less than \$1,000 for a full-time student over the course of the fall and spring semesters.

**16.4(3) Priority for awards.** In the event that funds available are insufficient to provide maximum awards to all eligible applicants, awards are prioritized in the following order:

- a. Eligible applicants who received the grant in the prior state fiscal year, by application date.
- b. Eligible applicants who did not receive the grant in the prior state fiscal year, by application date.

**16.4(4) Awarding process.**

- a. The commission will provide notice of the eligibility criteria and maximum award to participating eligible institutions annually to authorize awarding.

b. The commission will designate eligible applicants for awards and provide eligible institutions with rosters of designated eligible applicants.

c. Eligible institutions will notify recipients of the awards, clearly indicating the award amount and the state program from which funding is being provided and stating that the award is contingent on the availability of state funds.

d. Eligible institutions will apply awards directly to student accounts to cover items included in the cost of attendance, as defined in Title IV of the federal Higher Education Act of 1965, as of July 1, 2023.

e. Eligible institutions will provide information about eligible applicants to the commission in a format specified by the commission. Eligible institutions will make necessary changes to awards due to a change in enrollment, program of study, and financial situation, and promptly report those changes to the commission.

f. Eligible institutions will complete necessary verification and coordinate other aid to ensure compliance with student eligibility requirements and allowable award amounts. Eligible institutions will report changes in student eligibility to the commission.

g. The commission will periodically investigate and review compliance of eligible institutions participating in this program with the criteria established in Iowa Code section 261.132 and this rule.

**283—16.5(261) Exceptions.** If an eligible applicant discontinues enrollment at the eligible institution due to military deployment, a temporary medical incapacity, in relation to a declaration of a national or state emergency, or other exceptional circumstances approved by the commission, the eligible applicant may apply for a waiver. If the waiver is approved, the eligible applicant is not required to maintain continuous enrollment during the period covered by the waiver.

**283—16.6(261) Determination of programs of study aligned with high-demand jobs.**

**16.6(1) *High-demand jobs.*** The commission will utilize the department of workforce development's most recent list of statewide high-demand jobs pursuant to Iowa Code section 84A.1B(14) and align those jobs to eligible programs of study.

**16.6(2) *Eligible programs of study.*** The eligible institution will offer a baccalaureate degree that is aligned with a high-demand job. The classification of instructional program code and the standard occupation code will be used to align eligible programs of study to high-demand jobs.

**16.6(3) *Designation.*** Eligible institutions will designate the eligible programs of study offered in the corresponding academic year.

**16.6(4) *Approved program.*** Before an eligible program of study is considered an approved program of study, the department of workforce development and the commission will jointly certify that the program of study is aligned with a high-demand job pursuant to Iowa Code section 84A.1B(14).

**16.6(5) *Grandfather clause.*** If the state workforce development board removes a high-demand job from a list created pursuant to Iowa Code section 84A.1B(14), an eligible applicant who received an award in a program of study aligned with that high-demand job will continue to receive the award as long as the eligible applicant continues to meet all other eligibility criteria.

**283—16.7(261) Institution eligibility requirements.**

**16.7(1) *Application process.*** An institution requesting to participate in the program may apply to the commission using the commission's designated application. An applicant institution will provide the commission with documentation establishing the applicant institution's eligibility as an eligible institution that offers eligible programs of study. Applicant institutions will submit the application and documentation establishing the applicant institution's eligibility before October 1 of the year prior to the beginning of the academic year for which the applicant institution is applying for participation.

**16.7(2) *Public information.*** A list of all eligible programs of study, as well as the necessary courses and the suggested course sequence, will be available in a prominent location on the eligible institution's website.

These rules are intended to implement Iowa Code section 261.132.

ITEM 4. Adopt the following new 283—Chapter 34:

CHAPTER 34  
WORKFORCE GRANT AND INCENTIVE PROGRAM

**283—34.1(261) Basis of aid.** Assistance available under the Iowa workforce grant and incentive program is based on the financial need of Iowa residents enrolled in eligible programs of study at universities under the Iowa board of regents.

**283—34.2(261) Definitions.**

*“Academic year”* is defined as the fall, spring and summer semesters, in that sequence, within a state fiscal year.

*“Eligible institution”* means the same as defined in Iowa Code section 256.230.

*“Eligible program”* means an undergraduate program of study as defined in 283—Chapter 10 that meets the provisions of Iowa Code section 256.230.

*“Financial metric”* means the same as defined in 283—Chapter 10.

*“Financial need”* means the same as defined in 283—Chapter 10.

*“Full-time”* means the same as defined in 283—Chapter 10.

*“High-demand job”* means the same as described in Iowa Code section 84A.1B(17).

*“Iowa resident”* means the same as defined in 283—Chapter 10.

*“Part-time”* means the same as defined in 283—Chapter 10.

*“Satisfactory academic progress”* means the same as defined in 283—Chapter 10.

**283—34.3(261) Eligible workforce grant applicant.** An eligible applicant is an Iowa resident who is enrolled full-time or part-time as an undergraduate student in an eligible program at an eligible institution and who meets the following provisions:

1. Annually completes the applications the commission deems necessary on or before the date established by the commission.
2. Establishes financial need, has an eligible financial metric, meets satisfactory academic progress standards, and does not meet a condition in 283—subrule 10.3(1).

**283—34.4(261) Awarding of workforce grant funds.**

**34.4(1) Selection criteria.** All eligible applicants will be considered for an award.

**34.4(2) Extent of award and maximum award.** Eligible applicants may receive no more than four full-time or eight part-time semesters of awards, or the equivalent.

*a.* The maximum award for full-time students will not exceed the student’s financial need and will not exceed \$2,000 per full-time semester.

*b.* A part-time student will receive a prorated award, as established by the commission, based on the number of credit hours for which the student is enrolled.

*c.* Awards will be provided during the fall and spring semesters of enrollment. Awards during the summer semester of enrollment may be provided if funding allows.

**34.4(3) Priority for awards.** In the event that funds available are insufficient to provide an award to all eligible applicants, awards will be prioritized as follows:

*a.* Eligible applicants who received a workforce grant in the prior academic year.

*b.* Eligible applicants with the lowest financial metrics.

*c.* Eligible applicants who are closest to the completion of their eligible program.

**34.4(4) Awarding process.**

*a.* The commission will provide notice of the eligibility criteria and maximum award to participating eligible institutions annually to authorize awarding.

*b.* Eligible institutions will notify recipients of the awards, clearly indicating the award amount and the state program from which funding is being provided and stating that the award is contingent on the availability of state funds.

c. Eligible institutions will apply awards directly to student accounts to cover items included in the cost of attendance, as defined in Title IV of the federal Higher Education Act of 1965, as of July 1, 2023.

d. Eligible institutions will provide information about eligible applicants to the commission in a format specified by the commission. Eligible institutions will make necessary changes to awards due to a change in enrollment, program of study, and financial situation and promptly report those changes to the commission.

e. Eligible institutions will complete necessary verification and coordinate other aid to ensure compliance with student eligibility requirements and allowable award amounts. Eligible institutions will report changes in student eligibility to the commission.

f. The commission will periodically investigate and review compliance of eligible institutions participating in this state program with the criteria established in Iowa Code section 256.230 and this rule.

**283—34.5(261) Eligible incentive payment applicant.** Individuals who received a workforce grant and completed the eligible program within the same academic year may apply for the incentive payment if they meet the criteria of Iowa Code section 256.230 and are employed in Iowa.

**283—34.6(261) Awarding of incentive payments.**

**34.6(1) Selection criteria.** All eligible incentive payment applicants will be considered for an award.

**34.6(2) Extent of award and maximum award.** Eligible incentive payment applicants may apply for no more than one incentive payment of up to \$2,000.

**34.6(3) Awarding process.**

a. The commission will provide notice of the availability of the incentive payment application to eligible incentive payment applicants following completion of the eligible program. Eligible incentive payment applicants will apply for the incentive and begin full-time employment in a high-demand job in Iowa within six months of completing the eligible program.

b. Following the application deadline, the commission will designate eligible applicants for awards and begin tracking their employment.

c. After the applicant has completed 12 consecutive months of full-time employment, commission staff will verify with the Iowa employer that the applicant was employed full-time in a job position that is aligned with a high-demand job.

d. Following verification with the employer, the commission will make payment to the eligible incentive payment applicant.

These rules are intended to implement 2023 Iowa Acts, Senate File 560.